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DE RUEHTI #0023 0111036
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FM AMEMBASSY TIRANA
TO RUEHC/SECSTATE WASHDC PRIORITY 6538
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS TIRANA 000023

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E.O. 12958:N/A

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SUBJECT: GOA EXTENDS DEADLINE FOR ELECTORAL REFORM PROJECT

Ref: 07 Tirana 1035

11. (SBU) SUMMARY: The GOA has extended the deadline for tender proposals for a concession to produce a new national identification card and biometric passport to February 28. On November 8, following a prolonged and controversial drafting process that took almost a year, the GOA announced the open international tender for the combined procurement project. The project's history dates to the prior Socialist government and is now one of the main domestic priorities of Prime Minister Berisha. A key component of electoral reform, the identification card project gained greater importance after the February 2007 local elections, when disputes over the voters list and identification documents were a major election controversy between the opposition and majority. END SUMMARY.

12. (U) The identification card project is closely tied to another government project to modernize Albania's civil registry. (See Reftel.) The digitalization of the civil registry, necessary for implementing the identification card project, kicked off on November 5 and is scheduled to be completed by August 2008. As currently conceived, the GOA would start issuing identification cards by the end of 2008 with all citizens receiving new cards before the July 2009 general elections.

13. (SBU) According to the project's tender criteria, during the first year of the contract the concessionaire must supply 3.2 million citizens with documents and ensure both a production and personal data collection capacity of 15,000 identification cards and 3,000 biometric passports per day. Forty-seven international companies, including about half a dozen U.S. firms, have expressed interest in bidding on the tender, which originally had an estimated value of approximately USD 50 million. (Note: The GOA has since expanded the scope of the project to include the construction of over 300 service centers nationwide. As proposed, these centers would also be able to issue other identification documents such as drivers' licenses and social security cards.) The Embassy has been following the tender process closely over the last year in order to secure a level playing field for U.S. companies. (Note: Last spring the Embassy intervened twice with senior GOA officials to prevent attempts to insert patented technical language into the tender specifications that would have excluded U.S. companies from competing fairly for the tender.)

14. (SBU) The original deadline for submitting bids for the five-year concession contract was January 16. The extension resulted from complaints by companies to the Interior Ministry, the contracting authority, that the tender was too complex for proposals to be submitted by the original deadline. Three U.S. companies had voiced concerns that the proposed schedule for completing the project was unrealistic given the level of support and infrastructure that the winning bidder will have to provide. The opposition has criticized the project's deadlines as impossible to meet. In addition, the opposition has objected to the concessionary structure selected by the government, claiming that it will create security and transparency problems. Among the concerns raised are

how to allocate responsibility for the accuracy of the data collected, the legal provisions defining the obligation of Albanian citizens to apply for cards within the concession period, and who will be responsible for database security.

15. (SBU) COMMENT: Prime Minister Berisha has publicly called the tender for a new national identification card and digital passport his government's foremost domestic priority. Nevertheless, the project stalled for most of 2007 as the GOA grappled with drafting the highly technical criteria for the project, a task that it lacked the capacity to do properly. Berisha made a campaign promise to give Albanians state-of-the-art identification documents, advancing a key component of electoral reform. The project could, however, become a political liability before the 2009 elections if the tender is mismanaged or if the project is not completed on time. END COMMENT.
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